
IFRS Foundation Trustees meeting—Due Process Oversight Committee

Date **October 2026**

Project **Post-implementation Review of IFRS 16**

Topic **Summary of feedback and the IASB's responses**

Rashida Abdryashitova (rabdryashitova@ifrs.org)

Contacts Raf Markowski (rmarkowski@ifrs.org)

Tim Craig (tcraig@ifrs.org)

This document is prepared for discussion at a public meeting of the IFRS Foundation Trustees' Due Process Oversight Committee (DPOC). The Trustees are responsible for governance of the IFRS Foundation, oversight of the International Accounting Standards Board (IASB) and International Sustainability Standards Board (ISSB), and for delivery of the IFRS Foundation's objectives as set out in the IFRS Foundation *Constitution*.

Objective and action requested of DPOC

1. **The purpose of this paper is to report on the due process undertaken in the Post-implementation Review (PIR) of IFRS 16 *Leases* and to seek the Due Process Oversight Committee's (DPOC's) confirmation that the PIR of IFRS 16 has been completed satisfactorily.**
2. At its July 2026 meeting, the International Accounting Standards Board (IASB) confirmed that sufficient work had been completed to conclude the PIR of IFRS 16. The IASB therefore requested the staff to prepare the Project Summary and Feedback Statement (the Report) summarising the matters identified, the actions the IASB plans to take as a result of the PIR and the rationale for the IASB's conclusions.
3. The [Due Process Handbook](#) (Handbook) requires the IASB to report to the DPOC when it has completed a PIR and provide the DPOC with a draft of the Report.¹ A draft of the Report has been made available to the DPOC members. The IASB expects to finalise and publish the Report in November 2026, if the DPOC is satisfied that the IASB has completed the PIR of IFRS 16 satisfactorily.

¹ See paragraph 6.66 of the Handbook.

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4. **Does the DPOC agree, based on the materials provided, that the IASB has completed the PIR of IFRS 16 satisfactorily and that the Report can be finalised and published?**

Objective and process of a PIR

5. Paragraphs 6.52–6.66 of the Handbook describe a PIR. In particular, paragraphs 6.52–6.56 of the Handbook describe the objective of a PIR. The objective of a PIR is to assess whether the effects of applying the requirements of a new Standard or major amendment to a Standard on users of general-purpose financial reports (users), preparers, auditors and securities regulators are as intended when the new requirements were developed. The basis for such an assessment is the objective of the Standard and the effects analysis of the likely benefits and initial and ongoing costs arising from the new requirements that a board publishes when it issues the new requirements.
6. A PIR involves the IASB assessing whether the new requirements are, overall, working as intended, that is:
- (a) the benefits to users of the information arising from applying the new requirements are not significantly lower than was expected; and
 - (b) the costs of applying the requirements and auditing and enforcing their application are not significantly greater than was expected.
7. A PIR is not a standard-setting project and does not automatically lead to standard-setting. However, PIRs can identify improvements that can be made to a new requirement or the standard-setting process.
8. Paragraphs 6.59–6.65 of the Handbook describe the PIR process. Each PIR has two phases. The first phase involves identifying matters for a public consultation in the form of a request for information (RFI). In the second phase, the IASB considers the comments it has received from the public consultation and the information it has gathered through stakeholder engagement and any other research activities.

The IASB's objectives when issuing IFRS 16

9. IFRS 16 was issued in January 2016 and became effective for annual reporting periods beginning on or after 1 January 2019. The IASB worked jointly with the Financial Accounting Standards Board (FASB) on this project. The FASB issued Accounting Standards Update 2016-02 Leases in February 2016, which amended the FASB Accounting Standards Codification[®] and created FASB ASC Topic 842, Leases (Topic 842).
10. IAS 17 *Leases*, the previous Standard for leases, focused on identifying when a lease is economically similar to purchasing the asset being leased (underlying asset). When an entity determined that a lease is economically similar to purchasing the underlying asset, the entity classified the lease as a finance lease and reported it on the entity's statement of financial position. All other leases were classified as operating leases and not reported on an entity's statement of financial position (they were 'off-balance-sheet leases'). An entity (a lessee) accounted for off-balance-sheet leases similarly to service contracts reporting a rental expense in the statement of profit or loss (typically the same amount in each period of the lease—a straight-line lease expense).
11. The previous accounting model for leases was criticised for failing to meet the needs of users. In particular:
 - (a) information reported about operating leases lacked transparency.
 - (b) there were two different accounting models for leases, in which assets and liabilities associated with leases were not recognised for operating leases but were recognised for finance leases. Therefore, entities accounted for economically similar transactions very differently.
 - (c) the previous requirements for lessors did not provide adequate information about a lessor's exposure to credit risk arising from a lease and exposure to asset risk arising from the lessor's retained interest in the underlying asset. Such information was particularly inadequate for leases of equipment and vehicles that were classified as operating leases.

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12. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective of the Standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users to assess the effect that leases have on an entity's financial position, financial performance and cash flows.
13. To meet the objective, the Standard introduces a single lessee accounting model in which a lessee accounts for all leases as providing finance. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. For almost all leases, IFRS 16 requires a lessee:
- (a) to recognise lease assets (right-of-use assets) and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments;
 - (b) to recognise depreciation of lease assets and interest on lease liabilities in the statement of profit or loss over the lease term; and
 - (c) to classify cash payments for the principal portion of lease liabilities within financing activities in the statement of cash flows, and the interest portion of lease liabilities in accordance with the requirements in IAS 7 *Statement of Cash Flows* for interest paid.
14. The IASB decided to carry forward the lessor accounting model in IAS 17. Accordingly, a lessor continues to classify a lease as either a finance lease or operating lease and to account for those two types of leases in distinct ways.
15. The IASB expected IFRS 16 to improve:
- (a) the quality of financial reporting by providing greater transparency about a lessee's financial leverage and capital employed; and
 - (b) comparability between entities that lease assets and entities that borrow to buy assets, while reflecting the economic differences between these transactions.

How the PIR of IFRS 16 was conducted

16. Paragraph 6.48 of the August 2020 edition of the Handbook stated that ‘The [IASB] is required to conduct a post-implementation review of each new IFRS Standard or major amendment. A post-implementation review normally begins after the new requirements have been applied internationally for two years, which is generally about 30–36 months after the effective date’.²
17. The IASB discussed the timing of the PIR of IFRS 16 at its [November 2021](#), [September 2022](#) and [December 2023](#) meetings. For the reasons explained in agenda papers for those meetings, and as highlighted to the DPOC at the time, the IASB deferred the PIR until the second quarter of 2024. This timing would enable the IASB to consider the effects of IFRS 16 both during a period of significant disruption caused by the covid-19 pandemic and after a return to more stable conditions, providing better trend information on the application of IFRS 16 and allowing more academic research to become available. In February 2024, the IASB informed the DPOC of its intention to start the PIR in the second quarter of 2024 (see paragraph 28 of [Agenda Paper 1B](#) for the DPOC’s February 2024 meeting).
18. In [June 2024](#) the IASB discussed the objective, activities and expected timeline for the first phase of the PIR, in which the IASB identifies matters to examine and consults publicly on these matters.
19. To inform the first phase of the PIR and to gather evidence on the application of IFRS 16, IASB members and staff participated in or observed 28 meetings with a wide range of stakeholders from around the world. These stakeholders included the IASB’s consultative bodies, the IFRS Interpretations Committee (Committee),

² The DPOC published the revised Handbook in April 2026. In response to stakeholders’ feedback on the [Exposure Draft Proposed Amendments to the IFRS Foundation Due Process Handbook](#), the DPOC decided to add a rebuttable presumption that a PIR is expected to begin within five years of the effective date of the new requirements. If a board intends to defer a PIR beyond this five-year period, it must inform the DPOC, explaining the reasons for its conclusion and indicating when it expects to start the review. The revised Handbook therefore makes clear that a PIR should begin when sufficient information is available, with the clear expectation that this will normally be within five years of the effective date. It also introduces an explicit oversight mechanism, requiring a board to consult with the DPOC if it proposes to defer a PIR beyond that point.

preparers representing industries that were expected to have been most affected by the Standard, users, standard-setters, regulators and accounting firms (see [Appendix B](#)).

20. The IASB also carried out other research. It reviewed:
- (a) [academic literature](#) relevant to this PIR;
 - (b) the Committee's discussions relating to IFRS 16;
 - (c) the relevant feedback the IASB discussed when deciding whether to align the *IFRS for SMEs* Accounting Standard with IFRS 16;
 - (d) a sample of a securities regulator's enforcement decisions related to applying the requirements in IFRS 16;
 - (e) analysts' reports and investors' presentations published around the time IFRS 16 was issued;
 - (f) information disclosed by a sample of lessees;
 - (g) implementation questions discussed in the webcasts supporting the implementation of IFRS 16;
 - (h) alternative performance measures FTSE 100 entities reported before and after IFRS 16 became effective;
 - (i) an analysis of the quantitative effects of IFRS 16; and
 - (j) the FASB's PIR of Topic 842.
21. Feedback from the first phase of the PIR suggested that IFRS 16 is overall working as intended, has achieved its objective and has improved financial reporting. For most users, IFRS 16 has improved transparency and the quality of financial information they use to assess the capital employed by, and financial leverage of, lessees.
22. However, many preparers said it is unclear whether IFRS 16 has achieved its objectives because they incur high ongoing costs to apply the Standard but see limited benefits. For internal management purposes, many preparers adjust financial information to reverse the effects of IFRS 16. In particular, they adjust the

presentation of lease-related cash flows in the statement of cash flows and lease-related expenses in the statement of profit or loss. These preparers observed that some users of their financial statements also reverse the effects of IFRS 16 in their models.

23. Although the overall assessment of the Standard was generally positive, stakeholders raised a number of concerns about:
- (a) the use of judgement required by IFRS 16, which sometimes reduces the comparability of reported financial information, particularly in relation to lease terms, discount rates and variable lease payments;
 - (b) the complexity for users of analysing lease-related cash flows;
 - (c) the lack of disclosure by some entities of information about the total cash outflows for leases;
 - (d) the high cost of initially implementing IFRS 16 (as expected);
 - (e) higher-than-expected ongoing costs for many preparers, especially when determining discount rates and remeasuring lease liabilities; and
 - (f) the effects of applying IFRS 16 together with various other Standards.
24. Despite some concerns, most stakeholders did not recommend significant changes to the requirements in IFRS 16.
25. In [March 2025](#) the IASB discussed feedback and other information gathered in the first phase of the PIR and decided what questions should be included in the RFI. Based on the evidence gathered in the first phase, the IASB decided to focus the RFI on specific matters related to applying the requirements in IFRS 16, including matters arising from applying IFRS 16 with other Standards.
26. In [May 2025](#) the IASB approved the publication of the [Request for Information Post-implementation Review of IFRS 16 Leases](#) and set a 120-day comment period. The RFI was published on 17 June 2025.

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27. The second phase of the PIR of IFRS 16 started after the publication of the RFI. The IASB gathered further evidence on the matters identified in the first phase. The evidence was collected from five main sources:
- (a) 122 comment letters received in response to the RFI (see [Appendix B](#));
 - (b) 37 further meetings with stakeholders, including users, preparers, accounting firms, regulators, national standard-setters and the IASB's consultative bodies (see [Appendix B](#));
 - (c) an [updated review of academic literature](#);
 - (d) two education sessions (in [October 2025](#) and [June 2026](#)) with the FASB to share each board's findings in their PIRs of leases standards; and
 - (e) an [AI-assisted review of entities' disclosure practices related to leases](#).
28. In January and February 2026, the IASB discussed the summary of feedback received on the RFI.³ Most stakeholders provided positive overall feedback. However, most stakeholders (including most that provided positive overall feedback) also raised a wide range of concerns, including about the usefulness of information resulting from lessees' applying judgement, the usefulness of information about lessees' lease-related cash flows or higher-than-expected ongoing costs for lessees of applying the measurement requirements in IFRS 16. Despite some concerns, only a few stakeholders expressed appetite for significant changes to the requirements in IFRS 16.
29. The IASB deliberated the feedback at its meetings in March, April and June 2026 to decide what, if any, actions to take in response to the evidence collected (see paragraphs 35–45).⁴

³ See Agenda Papers 7A–7E for the IASB's [January 2026](#) meeting and Agenda Papers 7A–7B for the IASB's [February 2026](#) meeting.

⁴ See Agenda Papers 7A–7B for the IASB's [March 2026](#) meeting, Agenda Paper 7 for the IASB's [April 2026](#) meeting and Agenda Papers 7A–7B for the IASB's [June 2026](#) meeting.

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30. At its July 2026 meeting, the IASB concluded that the requirements in IFRS 16 are overall working as intended, finalised its decisions in this PIR and confirmed that sufficient work had been completed to conclude the project and to prepare the Report.⁵ Subject to approval from the DPOC, the IASB expects to publish the Report summarising its work in this PIR in November 2026.
31. [Appendix A](#) sets out the due process steps followed in this project. [Appendix B](#) sets out the distribution of respondents to the RFI and outreach participants by stakeholder type and region.

Reminder of the approach for assessing feedback in a PIR

32. When considering whether to take action on matters identified in a PIR, the IASB assesses whether there is evidence that:
- (a) the benefits to users of the information arising from applying the new requirements are significantly lower than expected (for example, there is significant diversity in application); or
 - (b) the costs of applying some or all of the new requirements and auditing and enforcing their application are significantly greater than expected (or a significant market development after the new requirements were issued makes it more costly than expected to apply the new requirements consistently).
33. The IASB considers the extent to which evidence gathered during a PIR suggests that:
- (a) the matter has **substantial consequences** (for example, widespread diversity in practice materially affects users' ability to analyse trends and compare entities);
 - (b) the matter is **pervasive** (for example, it affects transactions that occur frequently in various industries and jurisdictions);

⁵ See Agenda Papers 7A–7B for the IASB's [July 2026](#) meeting.

- (c) the matter arises from a financial reporting issue that **can be addressed** by the IASB or the Committee (that is, a feasible solution is likely to exist); and
 - (d) the benefits of action would be expected to **outweigh the costs** (considering the extent of disruption to current practice and operational costs arising from change relative to the importance of the matter to users).
34. Actions could include standard-setting, referring a matter to the Committee or developing materials to support consistent application. The IASB can also conclude that no action is required.

Findings from the PIR of IFRS 16

35. The IASB concluded that the requirements in IFRS 16 are, overall, working as intended. The IASB also concluded that the Standard is achieving its objective of providing a basis for users to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.
36. The IASB identified no fundamental questions about the clarity or suitability of the Standard's core principles. However, the PIR did identify some areas in which applying the requirements in IFRS 16 can result in operational challenges, higher-than-expected costs or diversity in practice. In response, the IASB decided to carry out targeted actions in those specific areas while retaining the Standard's core principles.
37. The IASB applied the approach outlined in paragraphs 32–33 to the matters raised in the PIR of IFRS 16.

Research to reduce lessee costs and clarify rent concession requirements

38. The overall costs of applying IFRS 16 are not significantly greater than expected. However, evidence gathered during the PIR showed that ongoing costs of applying the particular requirements associated with remeasuring lease liabilities and

determining discount rates are higher than anticipated. In response, the IASB decided to add a research project on targeted improvements to IFRS 16 to its [project pipeline](#).⁶ The project will explore proportionate cost-reduction measures that do not significantly reduce the usefulness of information provided to users, including:

- (a) remeasurement of lease liabilities—exploring options to reduce the frequency of remeasuring lease liabilities and to simplify reassessments arising from changes in variable lease payments linked to an index or rate.
- (b) discount rates—assessing options for simplified approaches to determining discount rates, including the use of unchanged discount rates for specified remeasurement events, taking into account the complexities associated with determining incremental borrowing rates.

39. The project will also clarify the relationship between IFRS 16 and IFRS 9 *Financial Instruments* when a lessor forgives lease payments due from a lessee, to address diversity in practice. The Committee had previously recommended that the IASB carry out standard-setting in this area and the evidence from the PIR continues to support that recommendation.

Standard-setting to enhance disclosures about total cash outflows for leases

40. Evidence gathered in the PIR showed that stakeholders were concerned about the usefulness of information on lessees' lease-related cash flows. Several of those concerns were similar to topics the IASB is considering in its project on the [Statement of Cash Flows and Related Matters](#). Stakeholder feedback about the presentation, classification, and fragmentation of lease-related cash flows (and non-cash movements at lease commencement) will inform the IASB's deliberations in that project.

⁶ Research pipeline projects are projects that the IASB expects to start work on before its next five-yearly agenda consultation.

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41. The IASB also decided to explore requiring lessees to disclose the components of total cash outflows for leases and to disclose where in the statement of cash flows each component is presented within its project on the Statement of Cash Flows and Related Matters. This action responds to feedback that the classification and presentation of lease-related cash flows can make it complex for users to understand and analyse the effects IFRS 16 has on an entity's cash flows.

Cross-cutting matters

42. The IASB will consider cross-cutting matters in its future projects:
- (a) corporate wrappers⁷—the IASB concluded that it would be more cost-effective to consider the relationship between *all* relevant Standards for corporate-wrapper matters. This approach will go beyond considering only the relationship between the requirements in IFRS 10 *Consolidated Financial Statements* and IFRS 16 to account for the sale and leaseback of an asset in a single-asset entity. The IASB decided to consider the priority of a broader corporate-wrapper project in its next agenda consultation.
 - (b) SMEs—the insights from this PIR and outcomes from the targeted research project on lessee costs will inform the IASB's deliberations in the next comprehensive review of the *IFRS for SMEs* Accounting Standard.
 - (c) future transition requirements⁸—feedback on the effectiveness of practical expedients and the modified retrospective approach in IFRS 16 provided valuable insights. The IASB will consider these insights when developing transition requirements in future standard-setting projects, in particular stakeholders' comments on the use of transition options.

⁷ Transactions might be structured through corporate wrappers to achieve particular purposes, for example, tax, legal or regulatory purposes.

⁸ Transition requirements specify how an entity applies new or amended requirements when it applies them for the first time, including the approach to comparative information.

Decisions to take no action

43. The IASB considered stakeholder feedback on areas in which application challenges were reported but concluded that no further action was warranted. In reaching these conclusions, the IASB considered whether the matters are widespread in their effect on entities and users, whether potential solutions would make information more useful, and whether potential solutions would disrupt current accounting practice. These matters include:
- (a) usefulness of information resulting from lessees applying judgement—stakeholders commented that the exercise of judgement in determining lease terms and discount rates in particular can affect comparability between lessees. The IASB:
 - (i) observed that the exercise of judgement is an inherent feature of principles-based Standards and enables entities to reflect their specific facts and circumstances.
 - (ii) concluded that simplifying the requirements, introducing more prescriptive rules or detailed application guidance, or developing specific disclosure requirements to provide information about the judgements entities make, was not warranted. Stakeholders' concerns often related to specific fact patterns in complex lease transactions and amended requirements or guidance would risk becoming overly fact-specific or outdated as contract structures evolve.
 - (iii) noted that other Standards already require entities to provide information about judgements and concluded that duplicating those requirements in IFRS 16 was unnecessary.
 - (b) sale and leaseback accounting model—stakeholders reported difficulties and some diversity in applying the requirements to assess whether a sale has occurred in a sale and leaseback transaction and to calculate the gain or loss recognised. These concerns primarily related to specific, highly structured or complex transactions. However, the IASB:

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- (i) observed that sale and leaseback transactions are not pervasive and decided developing additional guidance for specific complex fact patterns was not justified;
 - (ii) concluded that there was not enough new evidence to reconsider the partial gain or loss recognition model for sale and leaseback transactions which would require a fundamental change to the model; and
 - (iii) concluded that no further action was warranted.
- (c) lessor accounting—the IASB concluded that the lessor accounting model carried forward from IAS 17 remains adequate and the PIR did not identify fundamental concerns with that model.

Overall conclusion

- 44. Although the IASB concluded that the requirements in IFRS 16 are, overall, working as intended, evidence from the PIR has revealed aspects of IFRS 16 that do warrant action. In the IASB's view, the package of actions that it has decided to take is an appropriate and proportionate response to stakeholders' feedback.
- 45. Appendix B of the Report summarises the feedback in more detail and provides the IASB's response to that feedback.

Appendix A—Confirmation of Due Process Steps

Step	Nature	IASB	DPOC
Determining the timeline for the PIR⁹ The PIR begins after the new requirements have been applied internationally for some time in order to ensure sufficient information is available to assess the requirements' effects in their entirety.	Required	The IASB discussed the timing of the PIR of IFRS 16 at its November 2021, September 2022 and December 2023 meetings. For the reasons explained in agenda papers for those meetings, the IASB deferred the PIR until the second quarter of 2024. This timing would enable the IASB to consider the effects of IFRS 16 both during a period of significant disruption caused by the covid-19 pandemic and after a return to more stable conditions, providing better trend information on the application of IFRS 16 and allowing more academic research to become available. In June 2024 the IASB discussed the objectives, activities and timeline for the first phase of the PIR of IFRS 16.	In February 2024, the IASB informed the DPOC of its intention to start the PIR in the second quarter of 2024 (see paragraph 28 of Agenda Paper 1B). The DPOC was informed in October 2024 that the work on the first phase of the PIR of IFRS 16 had commenced.
Determining the scope, including identifying and assessing the matters to be examined	Required	In the first phase, 28 meetings were held with a wide range of stakeholders, including the IASB's consultative bodies (the Capital Markets Advisory Committee (CMAC), the Global Preparers Forum (GPF), the Accounting Standards Advisory Forum (ASAF), the Emerging Economies Group (EEG), the Islamic Finance Consultative Group (IFCG) and the IFRS Taxonomy Consultative Group (ITCG)), the Committee, preparers	The DPOC was informed of activities being undertaken in the first phase of the PIR of IFRS 16 at its June 2025 meeting.

⁹ See also footnote 2 to paragraph 16 of this paper.

Step	Nature	IASB	DPOC
		representing industries that were expected to be most affected by the Standard, users, standard-setters, regulators and accounting firms. The matters that came to the attention of the IASB were analysed to identify important and contentious issues. The IASB reviewed: the Committee's discussions relating to IFRS 16; a sample of enforcement decisions related to application of the requirements in IFRS 16; the relevant feedback the IASB discussed when deciding whether to align the <i>IFRS for SMEs</i> Accounting Standard with IFRS 16; analysts' reports and investor presentations published around the time IFRS 16 was issued; information disclosed by a sample of lessees; implementation questions discussed in the webcasts supporting the implementation of IFRS 16; alternative performance measures that FTSE 100 entities reported before and after IFRS 16 became effective; an analysis of quantitative effects of IFRS 16; and the FASB's PIR of Topic 842, Leases. The IASB also reviewed academic literature relevant to this PIR. The IASB considered the analysis of feedback from the first phase and identified matters it considered warranted further examination at its March 2025 meeting (see Agenda Paper 7B, Agenda Paper 7C, Agenda Paper 7D and Agenda Paper 7E for the IASB's March 2025 meeting).	

Step	Nature	IASB	DPOC
After the initial assessment, the IASB publishes a RFI setting out the matters on which it is seeking feedback by means of a formal public consultation. The IASB normally allows a minimum period of 120 days for comment on a RFI that is part of a PIR.	Required	At its May 2025 meeting, the IASB approved the publication of the RFI and set a 120-day comment period.	The DPOC was informed in October 2025 that the RFI was published with a comment period of 120 days.
The IASB considers whether it is necessary to supplement the responses to the RFI with other evidence, such as an analysis of financial information, a review of academic literature or other related research on the implementation of the Standard being reviewed, or consultations with relevant parties.	Optional	During the second phase, 37 meetings were held with various stakeholders, including the IASB's consultative bodies (ASAF and EEG), users, preparers, accounting firms, regulators and standard-setters (see Agenda Paper 7B for the July 2026 IASB meeting for the summary of the IASB's work undertaken). The IASB also reviewed entities' lease-related disclosure practices using an artificial intelligence (AI) model (see Agenda Paper 7C for the March 2026 IASB meeting). At its February 2026 meeting, the IASB discussed an update to the academic literature review conducted in the first phase of the PIR of IFRS 16, including 14 additional academic research papers. In October 2025 and June 2026 the IASB held two education sessions with the FASB to share each board's findings in their respective PIRs of leases standards before finalising their decisions (see Agenda Paper 7B for the October 2025 and Agenda Paper 7 for the June 2026 joint IASB-FASB education sessions).	The DPOC is being informed of the supplemental activities undertaken in the second phase of the PIR of IFRS 16 at this meeting.

Step	Nature	IASB	DPOC
Project teams analyse and summarise comment letters for the IASB's consideration. The IASB posts all comment letters in relation to the RFI online.	Required	The IASB discussed a summary of the feedback received on the RFI at its January and February 2026 meetings (see Agenda Papers 7A–7E for the IASB's January 2026 meeting and Agenda Papers 7A–7B for the IASB's February 2026 meeting). All comment letters were posted on the project page on the IFRS Foundation's website. One comment letter was received that at request of the respondent was treated as confidential. It was not posted on the project page but was included in the analysed feedback.	The DPOC was informed, at its March 2026 meeting, that the IASB began reviewing the feedback to the RFI at its January 2026 meeting.
Follow-up action after concluding the PIR	Required	The IASB discussed what action, if any, it should take at its meetings in March, April and June 2026. The IASB's conclusions and decisions are summarised in paragraphs 35–45 of this paper. In July 2026 the IASB concluded that the requirements in IFRS 16 are overall working as intended, finalised its decisions in the PIR of IFRS 16 and decided that sufficient work had been completed to conclude the project and to prepare the Report.	The DPOC was informed about the progress on the project and the IASB's plans for concluding the PIR of IFRS 16 at the DPOC meeting in June 2026 and at this meeting.
IASB meetings are held in public and papers are publicly available. All decisions are made in a public session.	Required	The PIR of IFRS 16 was discussed at public IASB meetings held between June 2024 and July 2026. The papers are publicly available on the website. The project page on the IFRS Foundation's website has been maintained throughout the project.	The DPOC was informed about progress on the project at its meetings in October 2024 , March 2025 , June 2025 , October 2025 , March

Step	Nature	IASB	DPOC
			2026 , June 2026 and at this meeting.
The IASB presents its findings in a public report. The IASB informs the DPOC when it has completed its review and provides the DPOC with a draft Report summarising the matters identified, any actions the IASB plans to take as a result of the PIR and the rationale for the IASB's conclusions. When the DPOC is satisfied that the IASB has completed the review satisfactorily, the draft can be finalised and published.	Required	The draft Report has been circulated to the DPOC.	The DPOC is asked to confirm that the IASB may finalise the Report at this meeting.
Recommendations to DPOC about changes to the IASB's procedures (such as how the effects of a Standard should be assessed or additional steps that should be taken in developing a Standard).	Optional	Step performed and no changes to the IASB's procedures were identified. Stakeholders' feedback on the effectiveness of practical expedients and the modified retrospective approach in IFRS 16 provided valuable insights. The IASB will consider these insights when developing transition requirements in future standard-setting projects, in particular stakeholders' comments on the use of transition options.	The DPOC is being informed at this meeting.

Appendix B—Respondents and participants by stakeholder type and by region

Public consultation through the RFI

B1. In response to the RFI, the IASB received 122 comment letters, which are available on the IFRS Foundation's [website](#).

B2. Respondents to the RFI represented various stakeholder groups:¹⁰

Table B1—Respondents by stakeholder type		
Type of respondent ¹¹	Number of comment letters	Percentage of respondents (%)
Academics	3	2
Accountancy bodies	13	11
Accounting firms	11	9
Preparers and industry organisations	45	37
Regulators	3	2
Standard-setters	29	24
Users	3	2
Other	15	13
Total	122	100

B3. Respondents to the RFI represented various regions:

Table B2—Respondents by region		
Region	Number of comment letters	Percentage of respondents (%)
Africa	7	6
Asia–Oceania	54	44
Europe	33	27
Latin America	14	11
North America	2	2
Global	12	10
Total	122	100

¹⁰ The data in these tables should be considered in conjunction with the stakeholder-engagement events that were held during the project (see Tables B3 and B4).

¹¹ Some comment letters include views of a group of mixed stakeholders. In these cases the different types of stakeholders are not separately captured in table B1. For example, some comment letters from standard-setters also include the views of preparers or users of financial statements, but these comment letters are categorised as standard-setters.

Stakeholder engagement

B4. During the PIR, IASB members and staff met with a wide range of stakeholders at 28 events held during the first phase of the PIR and 37 events held during its second phase. Stakeholders consulted included users, preparers, academics, accounting firms, regulators, standard-setters, the Committee and the IASB's consultative bodies (CMAC, GPF, ASAF, EEG, IFCG and ITCG).¹²

B5. Participants from various stakeholder groups attended the events:

Table B3—Participants by stakeholder type		
Type of participant	Number of events	Percentage of events (%)
Academics	1	2
Accounting firms	3	5
Preparers and industry organisations	14	21
Regulators	3	5
Standard-setters	17	26
Users	21	32
Mixed groups	6	9
Total	65	100

B6. Participants from various regions attended the events:

Table B4—Participants by region		
Region	Number of events	Percentage of events (%)
Africa	3	5
Asia–Oceania	18	27
Europe	16	24
Latin America	5	8
North America	3	5
Global	20	31
Total	65	100

¹² See the meeting summaries for the [November 2024](#) Capital Markets Advisory Committee meeting, [November 2024](#) Global Preparers Forum meeting, [September 2024](#), [March 2025](#) and [March 2026](#) Accounting Standards Advisory Forum meetings and [December 2024](#) and [June 2026](#) Emerging Economies Group meetings. See also the webpage for the [December 2024](#) Islamic Finance Consultative Group meeting details and [Agenda Paper 1](#) for the December 2024 IFRS Taxonomy Consultative Group meeting.